Talks on Trade between India and China

104. SHRI S.S. AHLUWALIA: Will the the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the salient details of the outcome of the talks held during his visit to China in January, 2008 alongwith Hon'ble Prime Minister on mutual trade agreement between India and China;

(b) whether it is a fact that the accompanying Indian business delegation to the entourage in its deliberation highlighted various artificial trade barriers and unfavourable duties imposed by China on its exports to and import from India and urged for their removal; and

(c) if so, the details thereof indicating response of Chinese authorities thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) Issues of mutual commercial and trade interest were raised and discussed during the visit of the Hon'ble Prime Minister to China from 13-15 January, 2008. The subject of non-tariff barriers, intellectual property rights and the difficulties faced by Indian agricultural products in getting access to the Chinese market was raised by the Indian side during the visit. The Chinese side took note of the issues raised by the Indian side. These issues were also raised by the Indian side in the India-China Economic, Trade and Investment summit held in Beijing on 14th January, 2008.

Free Trade Agreement with China

105. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to enter into a free trade or a similar agreement with China that would give Chinese companies access to Indian market;

(b) if so, by when that is likely to be done; and

(c) whether Government have evaluated the implications of such an agreement on India's domestic manufacturing industry and its exports; if so, the details thereof and how its adverse effects; if any, are proposed to be addressed?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) In pursuance to the recommendations of the JSG a Joint Task Force to study in detail the feasibility and the benefits that may derive from an India-China RTA, was constituted. Both sides conducted separate study to find out implications of such an agreement. In its sixth meeting held on 21st and 22nd October, 2007, the JTF finalized its report. According to the report of the feasibility study an India-China RTA will be mutually advantageous. During the Prime Minister's visit to China the two Prime Ministers agreed to entrust to the two Commerce Ministers to examine the recommendations of the JTF on RTA. The Eighth Session of India-China Joint Economic Group at Ministerial level is to be held on April 1-2, 2008 in Beijing.

Slow down in Industrial Growth

106. SHRI S. ANBALAGAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that industrial growth has slowed down during the last three years;

(b) if so, the details thereof of small, medium and large scale industries' growth rates, separately along with the reasons for slowing down of growth in each case; and

(c) the steps proposed to be taken to boost industrial growth during the Eleventh Five Year Plan along with the resource allocation made for the purpose in comparison with the Tenth Plan Period?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) the growth of Industrial Production, by major industry groups, for the last 3 years, from 2004-05 to 2006-07 and for the current financial year 2007-08 upto December 2007, are given below:—

Growth Rate (%)

Sector	2004-05	2005-06	2006-07	2007-08
Industry (overall)	8.4	8.2	11.6	9.0
Mining	4.4	1.0	5.4	4.9
Electricity	5.2	5.2	7.2	6.6
Manufacturing	9.2	9.1	12.5	9.6

As would be seen from the table above, industrial growth has accelerated in 2006-07, compared with the growth rates in 2004-05 and 2005-06. There has, however, been some slowdown of industrial production in the current financial year, especially, in Textiles, Jute, Wood Products, Paper, Basic Chemicals, Metals & Minerals, Machinery & Equipments including Transport Equipments. Data on industrial production and growth for small, medium and large industries, are not compiled by the Central Statistical Organization (CSO), separately.

(c) Government has put in place various policies to promote broad based industrial growth. These include, *inter-alia*, de-licensing of industrial capacity, liberalization of foreign trade regime to provide better access to imported inputs at competitive prices, rationalization and reduction in duty rates of customs and central excise, better infrastructure support, upgradation of technology, and liberal FDI regime, etc. Total outlay for Industrial Sector during the 10th Plan period was Rs. 38,354 crore, which has been increased to Rs. 1,21,260 crore for the 11th Plan.

Review of FTA with new Regime of Thailand

107. SHRI RAJKUMAR DHOOT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that there has been a military coup in Thailand on 19th September, 2006;

(b) if so, whether the new Government of Thailand reversed the liberal economic policies of the previous Government;

(c) if so, whether Government has reviewed its existing FTAs with the new Government of Thailand;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?